



IDAHO POWER COMPANY  
P.O. BOX 70  
BOISE, IDAHO 83707

**BARTON L. KLINE**  
Senior Attorney

September 13, 2002

Ms. Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
472 W. Washington Street  
P.O. Box 83720  
Boise, Idaho 83720-0074

Re: Case No. IPC-E-02-8  
Idaho Power's Company's 2002 IRP

Dear Ms. Jewell:

Enclosed herewith for filing with the Commission are an original and seven (7) copies of Idaho Power Company's Answer To Motions To Initiate Formal Proceeding, and an original and seven (7) copies of the Company's Motion For Scheduling Order regarding the above-entitled case.

I would appreciate it if you would return a stamped copy of this transmittal letter for our files.

Very truly yours,

Barton L. Kline

BLK:jb  
Enclosures

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Attorney for Idaho Power Company

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Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE FILING BY	)	CASE NO. IPC-E-02-8
IDAHO POWER COMPANY OF ITS	)	
2002 ELECTRIC INTEGRATED	)	IDAHO POWER COMPANY'S
RESOURCE PLAN (IRP).	)	ANSWER TO MOTIONS TO
_____	)	INITIATE FORMAL PROCEEDING

COMES NOW, Idaho Power Company ("Idaho Power" or "the Company"), and, in accordance with RP 57.03, answers the Motion To Initiate Formal Proceeding filed by Idaho Rivers United, Northwest Energy Coalition, Land and Water Fund of the Rockies, and Idaho Rural Council ("Advocates") and the Motion to Initiate Formal Proceeding of AARP Idaho ("AARP").

The two Motions and accompanying comments make essentially the same arguments. First, that Idaho Power's 2002 IRP is fatally deficient because the plan does not include sufficient consideration of demand side management (DSM) and renewable resource acquisition as alternatives to the acquisition of capacity and energy from more traditional generating resources; and

Second, that the potential unavailability of the Garnet contract justifies initiating a greatly expanded formal proceeding to revisit the entire 2002 IRP as presented by the Company.

The Motions fail to recognize that the Commission has already issued orders and initiated proceedings to address the issues that Advocates and AARP desire to pursue through “. . . full scale hearings, with testimony and cross-examination available to all parties.” (AARP Motion, p. 1) The hearings requested by the Motions will require substantial amounts of Commission time and resources to duplicate processes the Commission has already put in place. The proposal that the hearings be expanded to include all three jurisdictional electric utilities in a single proceeding will only exacerbate the problem. For these reasons (as more particularly described below), the Motions should be dismissed without prejudice.

#### Potential Unavailability Of Garnet Contract

Idaho Power recognizes that the potential unavailability of the Garnet contract has become a legitimate issue to be considered in the 2002 IRP. However, it is important to keep in mind that power purchases under the Garnet contract were scheduled to commence in the summer of 2005. If it is ultimately determined that the Garnet contract will not be available, the peaking capacity that would have been provided by the Garnet contract can be replaced in time to meet the identified June 2005 need. The question to be answered is what is the most cost effective way to replace it?

The Commission has already begun the process to answer that question. In Order No. 29085 in Case No. IPC-E-01-42 (Garnet proceeding), the Commission ordered Idaho Power to present to the Commission in October, a report or plan for satisfying future resource requirements ("the Garnet Report"). Order No. 29085 noted that the Company's 2002 IRP assumes the Garnet contract will be a resource. If it is ultimately determined that the Garnet contract will not be available, the Commission directed the Company to identify alternative options for satisfying identified energy and peak-load deficits or provide a suggested procedure to identify such options. The information to be presented in the Garnet Report is currently being prepared and will directly respond to the resource-related concerns contained in the two Motions.

Concurrent with the filing of this Answer, Idaho Power has filed a Motion with the Commission requesting that the Commission allow Idaho Power to file reply comments in this proceeding which would include the results of the Garnet Report. By filing reply comments in this case that include the information provided in the Garnet Report, the Commission will have, in the record in this case, Idaho Power's plan to address the potential unavailability of the Garnet contract. When the Garnet Report is filed and the Company's reply comments are filed, if Advocates and AARP still believe that full-blown hearings are required, they would be free to refile their Motions at that time.

#### Demand Side Management And Renewable Resources

Again, the Motions fail to recognize that the Commission has already established a process for considering potential demand side management programs for Idaho Power.

In Case No. IPC-E-01-13 (“the DSM Case”), after a long and detailed review of Idaho Power Company’s demand side management programs, the Commission issued Order No. 28894. In Order No. 28894 the Commission established a process by which potential demand side management programs are proposed and reviewed by a customer centered Energy Efficiency Advisory Group (“EEAG”). A list of the members of the EEAG is attached as Attachment 1. As provided in Order No. 28894, the EEAG is tasked with assisting the Company in identifying and recommending new demand side management programs. As those programs are developed, funded and implemented, they will be included in the Company’s plans for meeting load.

In Order No. 29026 dated May 13, 2002, in Case Nos. IPC-E-02-2 and IPC-E-02-3, the Commission further clarified its view of the role of the EEAG as the vehicle for initiating DSM programs for Idaho Power. In Order No. 29026 the Commission stated:

Furthermore, Idaho Power shall consult with the Energy Efficiency Advisory Group regarding the need to initiate a comprehensive DSM study of the IPC service territory relative to the priority for DSM funds to identify: (1) cost effective DSM opportunities in each customer class; (2) estimated costs to fully fund those opportunities; and (3) opportunities for reductions in peak loads as well as reductions in total energy consumption. (Order No. 29026, p. 21)

Order No. 29026 also established annual reporting requirements for Idaho Power and directs the EEAG and the Company to evaluate and report to the Commission on the viability of the time-of-use residential metering program by September 12, 2002.

The EEAG process is the proper venue for Advocates and AARP to propose new DSM programs and to advocate increased expenditures for DSM

programs. Granting Advocate's and AARP's Motions would bypass the established Energy Efficiency Advisory Group process and would, in reality, render the EEAG process moot.

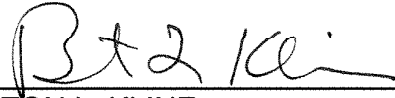
### Conclusion

The "... full scale hearing, with testimony and cross examination available to all parties" requested by the Motions, will result in a substantial commitment of resources and time on the part of the Commission and all of the other parties. Acceptance of Advocates' suggestion that the Commission bring all three jurisdictional utilities, Idaho Power, Avista and PacifiCorp, into a single proceeding will further expand the scope and complexity of the proceeding advocated by Advocates and AARP. Because the Commission has already established processes and procedures to address the issues raised by Advocates and AARP, Idaho Power believes that granting the Motions will not only be duplicative, but will in fact be counterproductive. It would effectively bring the ongoing actions of the EEAG process to a halt.

Idaho Power believes that once the Garnet Report is prepared and the Company's reply comments are filed, the Commission will then be in a much better position to make a determination as to whether or not it has all the information it needs to make a decision to acknowledge the 2002 IRP. If it determines that additional information is required, the Commission can then determine the best way to acquire that additional information.

Based on the foregoing, Idaho Power requests that the Commission issue its Order dismissing the Motions by Advocates and AARP without prejudice.

Respectfully submitted this 13th day of September, 2002.

A handwritten signature in black ink, appearing to read "Bt2 Kline", written over a horizontal line.

BARTON L. KLINE  
Attorney for Idaho Power Company

# **ATTACHMENT 1**



REPRESENTS	NAME	TITLE
Commercial	Dave Logan	Director of Operations
Commercial	Dan Preisler	Property Manager
Industrial	Alan Christie	Director of Engineering, Food Group
Industrial	Cheryl O'Brien	
Irrigation	Timothy Deeg	
Irrigation	Lynn Tominaga	
Residential	Janice Stover	
Residential	Linda Gossett	

PANY	ADDRESS	CITY	PHONE	EMAIL
ounty ions	200 West Front, Suite #3269	Boise, Idaho 83702	208.287.7101	
O ties	101 S Capitol Blvd, Suite 302	Boise, Idaho 83702	208.345.8519	
ot ration	P.O. Box 1059 Hwy 19 West, Gate 2	Caldwell, ID 83605	208.454.4507	
3BWI	PO Box 1625, Mail Stop 3760	Idaho Falls, ID 83415	208.526.4105	cco@inel.gov
	2957 Deeg Rd	American Falls,Id 83211- 5554	208.226.5588	
	703 N. Pond St.	Boise, ID 83706	208.343.6742	
	1895 East Heyburn	Twin Falls, Idaho 83301	208.733.5734	jstover@micron.net
sity o on	5880 Glenwood	Boise, Idaho 83714	208.376.1036	

Special Interest, Low Income	Ken Robinette		South Central Community Action Agency	726 Shoshone St.	Twin Falls, ID 83303- 0531	208.734.2307	
Special Interest, New Construction	Eric Makela	Senior Educational Programs Administrator	International Conference of Building Officials	17542 Friends Road	Caldwell, ID, 83607	208.459.9564	
Special Interest, IDWR	Ken Eklund		Idaho Department of Water Resources	1301 North Orchard St.	Boise, Idaho 83706	208.327.7974	keklund@idwr.state.id.us
Special Interest, IPUC	Lynn Anderson		Idaho Public Utilities Commission	PO Box 83720	Boise, ID 83720	208.334.0353	
Idaho Power	Darlene Nemnich	Energy Solutions	Idaho Power	P.O. Box 70	Boise, ID 83707	208.388.2505	darlenenemnich@idahopower.com
Idaho Power	Stephen Tenchich	Corporate Development	Idaho Power	P.O. Box 70	Boise, ID 83707	208.388.2354	Stencich@idahopower.com
Idaho Power	Maggie Brilz	Pricing & Regulatory	Idaho Power	P.O. Box 70	Boise, ID 83707	208.388.2848	Mbrilz@idahopower.com

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of September, 2002, I served a true and correct copy of the within and foregoing IDAHO POWER COMPANY'S ANSWER TO MOTIONS TO INITIATE FORMAL PROCEEDING upon the following named interested persons/commenters by the method indicated below, and addressed to the following:

Scott Woodbury Deputy Attorney General Idaho Public Utilities Commission 472 W. Washington Street P.O. Box 83720 Boise, ID 83720-0074	<input checked="" type="checkbox"/> Hand Delivered <input type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
John J. McMahon Attorney at Law 3339 S. Bridgeport Lane Boise, ID 83706	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
Brad M. Purdy Attorney at Law 2019 N. 17th Street Boise, ID 83702	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
William M. Eddie Land and Water Fund of the Rockies P.O. Box 1612 Boise, ID 83701	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
Bill Chisholm Idaho Rural Council 19073 E. Highway 30 Buhl, ID 83316	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
Jeffrey C. Brooks 1027 Cayman Drive Meridian, ID 83642	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX
Roald Doskeland, President Windland, Inc. 10480 Garverdale Court, Suite 804A Boise, ID 83704	<input type="checkbox"/> Hand Delivered <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> FAX

Jonna L. Weber  
Citizens for Responsible Land Use  
10105 Gabica Street  
P.O. Box 192  
Middleton, ID 83644

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WindWorks, Inc.  
5356 N. Cattail Way  
Boise, ID 83703

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE FILING BY	)	CASE NO. IPC-E-02-8
IDAHO POWER COMPANY OF ITS	)	
2002 ELECTRIC INTEGRATED	)	IDAHO POWER COMPANY'S
RESOURCE PLAN (IRP).	)	MOTION FOR SCHEDULING ORDER
_____	)	

COMES NOW, Idaho Power Company ("Idaho Power" or "the Company"), and, in accordance with RP 51-58, hereby requests that the Commission issue a scheduling order authorizing Idaho Power to file reply comments in this case which would include and be based in part on the Report to be filed by Idaho Power in accordance with the requirements of Commission Order No. 29085 in Case No. IPC-E-01-42 (Garnet Proceeding).

Idaho Power recognizes that the potential unavailability of the Garnet contract has become a legitimate issue to be considered in the 2002 IRP. In Order No. 29084, the Commission noted that the Company's 2002 IRP assumes the Garnet contract will be a resource and, should the Garnet contract prove to be unavailable, the

Commission directed the Company to identify alternative options available to it for satisfying the identified energy and peaking load deficits. To present those options to the Commission, Idaho Power was directed to prepare a report or plan for satisfying future resource requirements ("the Garnet Report"). Order No. 29085 provides that the Company will file this Report with the Commission on or before October 23, 2002.

To avoid duplication of effort and to make sure that the record in this case contains all of the relevant information the Commission will need to evaluate the Company's 2002 IRP, Idaho Power proposes to include the information presented in the Garnet report as a part of its reply comments in this proceeding. In its reply comments the Company will also address the other issues raised in the comments filed by the Staff and other interested parties. Once the reply comments are filed, the Commission then can make a determination as to whether or not it has all the information it needs to make a decision to acknowledge the 2002 IRP. If the Commission determines that additional information is required, the Commission can then determine how it desires to obtain the needed information.

### **CONCLUSION**

Based on the foregoing, Idaho Power requests that the Commission issue its Order authorizing Idaho Power to file reply comments in this case on or before October 23, 2002.

Respectfully submitted this 13th day of September, 2002.

A handwritten signature in black ink, appearing to read "B. L. Kline", written over a horizontal line.

BARTON L. KLINE  
Attorney for Idaho Power Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of September, 2002, I served a true and correct copy of the within and foregoing IDAHO POWER COMPANY'S MOTION FOR SCHEDULING ORDER upon the following named interested persons/commenters by the method indicated below, and addressed to the following:

Scott Woodbury  
Deputy Attorney General  
Idaho Public Utilities Commission  
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